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## **DEPARTMENT OF HOMELAND SECURITY**

### **U.S. Customs and Border Protection**

#### **Modification of National Customs Automation Program Test Concerning Automated Commercial Environment (ACE) Cargo Release (Formerly Known as Simplified Entry)**

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** General notice.

**SUMMARY:** This document announces U.S. Customs and Border Protection's (CBP's) plan to both rename and modify the National Customs Automation Program (NCAP) test concerning the Simplified Entry functionality in the Automated Commercial Environment (ACE). Originally, the test was known as the Simplified Entry Test because the test simplified the entry process by reducing the number of data elements required to obtain release for cargo transported by air. The test will now be known as the ACE Cargo Release Test as one of the modifications of the test announced in this notice is to provide more capabilities to test participants allowing CBP to deliver enhanced functionality. The test is also modified by expanding its coverage and by removing the Customs-Trade Partnership Against Terrorism (C-TPAT) status requirement for importer self-filers and customs brokers and by adding new data elements. This notice invites more participants to join the test.

**DATES:** The ACE Cargo Release test modifications set forth in this document are effective [INSERT DATE OF PUBLICATION IN THE **FEDERAL REGISTER**]. The test will run until approximately November 1, 2015.

**ADDRESSES:** Comments or questions concerning this notice and indication of interest in participation in ACE Cargo Release should be submitted, via email, to Susan Maskell at [susan.c.maskell@cbp.dhs.gov](mailto:susan.c.maskell@cbp.dhs.gov). In the subject line of your email, please indicate “Comment on ACE Cargo Release”. The body of the email should include information regarding the identity of the ports where filings are likely to occur.

**FOR FURTHER INFORMATION CONTACT:** For policy related questions, contact Stephen Hilsen, Director, Business Transformation, ACE Business Office, Office of International Trade, at [stephen.r.hilsen@cbp.dhs.gov](mailto:stephen.r.hilsen@cbp.dhs.gov). For technical questions, contact Susan Maskell, Client Representative Branch, ACE Business Office, Office of International Trade, at [susan.c.maskell@cbp.dhs.gov](mailto:susan.c.maskell@cbp.dhs.gov).

**SUPPLEMENTARY INFORMATION:**

**Background**

In General

U.S. Customs and Border Protection’s (CBP’s) National Customs Automation Program (NCAP) test concerning Automated Commercial Environment (ACE) Simplified Entry (SE test) functionality is authorized under § 101.9(b) of title 19 of the Code of Federal Regulations (19 CFR 101.9(b)), which provides for the testing of NCAP programs or procedures.

On November 9, 2011, CBP published in the **Federal Register** a notice announcing an NCAP test concerning ACE Simplified Entry. See 76 FR 69755. The SE test established new entry capability to simplify the entry process for cargo transported by air by reducing the number of data elements required to obtain release. This data fulfills merchandise entry requirements that allow for earlier release decisions and more certainty for the importer in determining the logistics of cargo delivery. On August 14, 2012, CBP published in the **Federal Register** a notice modifying test participant selection criteria for the SE test. See 77 FR 48527.

In the notice published in the **Federal Register** on July 23, 2013 (78 FR 44142), the Document Image System (DIS) NCAP test was expanded and modifications were made to the SE test to allow for certain data elements to be transmitted via the Document Image System (DIS). The July 23, 2013 notice also expanded the pool of eligible participants for the DIS test to include software providers merely transmitting electronically data received for transmission to CBP.

This ACE Cargo Release test will run until approximately November 1, 2015, and is open to Type 01 and Type 11 consumption entries filed in the air transportation mode only. Expansion to other modes will be announced via a separate **Federal Register** notice.

#### Modification to Test Participant Selection Criteria

In the notice published in the **Federal Register** on November 9, 2011 (76 FR 69755), announcing phase one of the SE pilot, CBP stated that participation in the

test was limited to nine (9) participants comprised of importers holding a Tier 2 or higher Customs-Trade Partnership Against Terrorism (C-TPAT) status (applicable to both importer self-filers and importers for whom an eligible customs broker files a SE) and customs brokers who are C-TPAT certified.

In the notice published in the **Federal Register** on August 14, 2012 (77 FR 48527), phase two of the SE test expanded the eligible participant pool to reflect that the C-TPAT status of an importer for whom a customs broker files a SE is no longer an eligibility criterion. However, this did not change the fact that importer self-filers must still hold a Tier 2 or higher C-TPAT status. In addition, the August 14, 2012 notice opened the SE test to all eligible applicants for a 14 day period.

This notice announces modifications to the SE test's participation criteria to reflect that the C-TPAT status of an importer self-filer and a customs broker is no longer an eligibility criterion.

In addition, ACE Cargo Release is now open to all eligible applicants for an indefinite period. CBP will endeavor to accept all new eligible applicants on a first come first served basis; however, if the volume of eligible applicants exceeds CBP's administrative capabilities, CBP will reserve the right to select eligible participants in order to achieve a diverse pool in accordance with the selection standards set forth in 76 FR 69755.

#### New Filing Capabilities

This notice announces new capabilities for ACE Cargo Release filing to allow for automated corrections and cancellations, split shipments, entry on cargo which has been moved by in-bond from the first U.S. port of unloading, and entry for a quantity less than

full manifested bill quantity if no in-bond is involved. These new capabilities include functionality specific to the filing and processing of formal consumption entries and informal entries. The capabilities serve to assist the importer in completion of entry as required by the provisions of 19 U.S.C. 1484(a)(1)(B).

#### Modification to Data Elements to Be Filed

In the original **Federal Register** notice announcing SE on November 9, 2011, CBP stated for the SE test that in lieu of filing CBP Form 3461 data, the importer or broker acting on behalf of the importer was allowed to submit 12 required data elements and three (3) optional data elements (known as the Simplified Entry Data Set or Simplified Entry Data) with CBP. The Simplified Entry Data Set may be filed at any time prior to the arrival of the cargo in the United States port of arrival with the intent to unlade. To enable enhanced functionality in ACE Cargo Release, this notice introduces three (3) new data elements in certain situations. They are as follows:

- Port of Entry (if an in-bond number is provided in the entry submission, the planned port of entry must also be provided).
- In-Bond (if applicable).
- Bill Quantity (if bill of lading quantity is specified in the entry, it becomes the entered and released quantity for that bill. If the bill quantity is not specified, full bill quantity will be entered and released for that bill).

### Functionality

Upon receipt of the Simplified Entry Data, CBP will process the submission and will subsequently transmit its cargo release decision to the filer. Releases will be made at the house bill level. The merchandise will then be considered to be entered upon its arrival in the port with the intent to unlade, as provided by current 19 CFR 141.68(e).

Interested parties should consult the Trade Transformation page on [cbp.gov](http://www.cbp.gov) for the current listing of applicable SE ports. Entries using the SE transaction data set will only be processed in participating SE ports. In addition, Cargo Release as a result of the SE transaction set will only be issued in a participating SE Port. Any changes and/or additions to the ports that are part of the SE test will be posted to this page. See [http://www.cbp.gov/xp/cgov/trade/trade\\_transformation/simplified\\_entry/](http://www.cbp.gov/xp/cgov/trade/trade_transformation/simplified_entry/).

All other procedures and criteria applicable to participation in Simplified Entry, as set forth in previous **Federal Register** notices are incorporated into the ACE Cargo Release test and remain in effect unless explicitly changed by this or subsequent notices published in the **Federal Register**.

Paperwork Reduction Act

The collection of information contained in this ACE Cargo Release test have been approved by the Office of Management and Budget (OMB) in accordance with the requirements of the Paperwork Reduction Act (44 U.S.C. 3507) and assigned OMB number 1651-0024.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

Dated: October 30, 2013.

Richard F. DiNucci,  
Acting Assistant Commissioner,  
Office of International Trade.

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